



**Department of Community Development
807 East Main Street
Building 2, Suite 200
Durham, North Carolina 27701**

REQUEST FOR PROPOSALS

Loan Originating / Underwriting Services And Mortgage Loan Servicing

**Date of Issue: December 27, 2012
Due Date: January 28, 2013**

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Request for Proposal (RFP) for mortgage loan originating/underwriting services and servicing of affordable housing loans made by the City of Durham's Department of Community Development.

10. Date of RFP: December 27, 2012

20. Questions about this RFP: Direct questions and concerns to City staff:

City of Durham
Department of Community Development
807 East Main Street
Building 2, Suite 200
Durham, North Carolina 27701

Mortgage Loan Originating / Underwriting Services

Attn: Juanita B. Massenburg
Senior Project Manager
(919) 560-4570 Ext. 22240
Juanita.Massenburg@durhamnc.gov

Mortgage Loan Servicing

Attn: Kimberly M. Jones
Loan Portfolio Analyst
(919) 560-4570 Ext. 22237
Kimberly.Jones@durhamnc.gov

If you have concerns about this RFP that you believe are not being addressed by the City staff, please contact:

Reginald J. Johnson, Director
Department of Community Development
(919) 560-4570 Ext. 11223
Reginald.Johnson@durhamnc.gov

30. Project.

The work of the Department of Community Development (DCD) involves receipt of federal entitlement allocations from the U.S. Department of Housing and Urban Development (HUD), the taxpayer-funded Affordable Housing General Obligation Bond revenues, and General Funds. The City's loan portfolio funding sources include, but are not limited to, the following:

- Community Development Block Grant funds (CDBG)
- HOME Investment Partnership funds (HOME)
- Affordable Housing General Obligation Bond (BOND) revenue funds
- General Funds

These funding allocations are used to administer loans and grants under a variety of affordable housing programs.

30.1 Mortgage Loan Originating and Underwriting: Individual Residential Mortgage Loans (Subordinate Lien Positions)

The subordinate mortgage loans are provided to individuals who are eligible as first-time homebuyers for the purchase of a housing unit. The eligible individuals must fall within the low- to moderate income range and occupy the property as their primary residence. These loans and grants are in the form of second mortgage financing and grant agreements. In addition to first-time homebuyers, the City also makes available first and subordinate mortgage financing to existing homeowners for the rehabilitation of their property.

30.2 Mortgage Loan Servicing:

These funding allocations are used to administer loans under a variety of affordable housing and commercial loan programs. The City's existing portfolio (including all loan categories identified) totals 822 loans. This number represents active loans (including bankruptcies and delinquencies) that are currently being serviced externally. These loans are deferred, forgivable or amortized. A further breakdown is below:

Table 1: Total Loan Portfolio, By Project Name

As of September 30, 2012

Project Name	# of Loans	% of Loans	Principal Balance	% of Balance	Principal
Developer Loan Program	82	9.88%	\$16,932,427.90	57.85%	
Housing Bond Funded	499	60.12%	\$7,687,764.62	26.27%	
Durham Annual Reduction Loans	86	10.36%	\$2,014,369.66	6.88%	
Economic Development	2	0.24%	\$18,788.27	0.06%	
Habitat Loans	161	19.40%	\$2,614,906.16	8.93%	
	830		\$29,268,256.61	100.00%	

The City's existing loan portfolio includes the following types of loans:

Individual Residential Mortgage Loans (First and Subordinate Liens)

These loans account for almost 90% of the number of loans in the portfolio.

While the City no longer offers a first mortgage program, there are still loans made under this program in its portfolio. The first mortgage financing was traditionally provided as a recruitment and retention incentive to eligible police officers, sheriffs, and teachers. The major source of funding for City's first mortgage loan is general obligation bonds.

The City offers subordinate mortgage loans provided to eligible first-time homebuyers for the purchase a home. The eligible households must fall within the low- to moderate-income range and occupy the purchased property as their primary residence. These loans are made in the form of second mortgage financing, and represent down payment assistance equal to 20% of the qualifying sales price of the property up to \$20,000, or up to \$30,000 for a specific program.

The City also makes available subordinate mortgage financing to existing homeowners for the rehabilitation of their property.

Developer Residential Mortgage Loans

These loans account for just over 10% of the total number of loans in the portfolio. These loans are typically made available to entities such as non-profit and for-profit housing developers, and/or quasi-governmental organizations for the development of single- and multi-family housing. The single- and multi-family development provides both rental and homeownership opportunities.

The City has historically offered unconventional financing for residential and developer mortgage loans in an effort to meet the need to provide safe, decent and affordable housing of the very low-, low- and moderate-income residents. While the City no longer offers such a variety of repayment structures, there are still loans made with some of these terms in its portfolio. Some of the variations include, but are not limited to, the following:

- Non-interest bearing with borrowers paying a service fee; and interest-bearing with no service fee paid by borrowers;
- Monthly service fee or interest payments based on a specified percentage of the annual declining principal balance, which requires the annual adjustment of the monthly principal and interest payment collected;
- Interest-only payment due and payment until balloon period; and forgivable monthly principal payment equal to amount of monthly principal payment due and payable; and
- Monthly principal only and principal and interest/service fee payments that are adjusted every 2-5 years.

The City currently offers development loans with more traditional terms with an interest rate between 0-2%.

Economic/Commercial Development Loans

These loans account for less than 1% of the total number of loans in the portfolio.

The small business/commercial loans are administered by the City's Office of Economic and Workforce Development (OEWD). OEWD has two participation loan programs available to assist investors and small business. First is the Downtown and Neighborhood Commercial Revitalization Loan Program designed to partner with financial institutions to provide economic incentives to businesses wishing to invest in targeted areas in Durham. The maximum lending amount is 40% of a total loan, up to \$250,000. Second is the Opportunity Loan Program that assists small businesses in their growth cycle to provide much needed capital for expansion and to create employment opportunities for the community. The maximum lending amount is 30% of the total loan, up to \$50,000. The primary funding source for the Opportunity Loan Program is CDBG and for the Downtown and Neighborhood Commercial Revitalization Loan Program the City of Durham Loan Fund.

Additionally, the City has a small number of small business repackaged loans made prior to October 2003 in its portfolio. The current Opportunity Loan Program is a revised version of the small business loan program.

40. Scope of Work.

Outlined below is the scope of services that the City of Durham is requesting the contractor to provide for the applicable loan categories identified:

40.1 Mortgage Originating and Underwriting

A. Originating/Underwriting Needs and Requirements (Prior to Loan Approval)

The originating/underwriting needs and requirements are needed for the City's second mortgage and housing rehabilitation loans and grants. Such originating/underwriting needs and requirements are as outlined below:

1. Obtain the borrower's completed pre-application package that has been received and reviewed by the City, and obtain a credit report to determine and document program eligibility;
2. Assist borrower in completing FMNA application;
3. Accept completed City of Durham loan applications along with supportive documentation, and obtain an in-file credit report for each applicant;
4. Assist in the review of applications and credit history to determine loan eligibility;
5. Package each loan with documents and information obtained and reviewed for the determination of eligibility, approval of the borrower, and the property being purchased and/or rehabilitated;

6. Evaluate submitted mortgage loan requests to ensure compliance with the City's guidelines related but not limited to debt-to-income ratios, income analysis, appraisal, credit history as outlined in the City of Durham Reference Guide for Residential Mortgage Loans;
7. Ensure earnest monies are deposited; and
8. Communicate with City staff and others involved in the loan process to obtain information and documents necessary to complete the mortgage loan approval with respect to housing rehabilitation.

All of the proposed originating needs and requirements outlined and specified above are applicable to the following loans:

- Individual Residential Second Mortgage Loans and Grants (CDBG, HOME, BOND and General Funds)

B. Mortgage Originating Needs and Requirements (After Loan Approval) - All Individual Residential Mortgage Loans and Grants (CDBG, HOME, BOND and General Funds)

1. Review loan approval package and consult with City Staff to determine the information necessary to prepare loan closing documents. The loan documents to be prepared by the contractor will include all documents that are customary and appropriate to properly document, secure and make loans enforceable. Such documents include, but are not limited to, closing statement, promissory notes, and security instrument and/or agreement, rider, truth-in-lending, and UCC financing statement as required;
2. Coordinate and schedule loan closing with the borrower and closing attorney, and prepare and submit letter requesting funds for the second mortgage, whichever is applicable, to the City along with a document (developed by the contractor) that outlines specific, but not limited to, loan terms, ratios, payment, loan-to-value;
3. Prepare all required closing documents and closing instructions for the City's second mortgage loans and grants. Submit a copy to the City for review and approval and, submit the original copy to the closing attorney. Upon approval of the closing documents by the City, the contractor will deliver original closing documents to the closing attorney for the scheduled closing;
4. Contractor will obtain legal counsel satisfactory to the City to provide opinions on the validity of liens or encumbrances on all property related to loan, or to require a search of the Secretary of State and/or Register of Deeds' records in order to determine the validity of such lien(s);

5. In the event title insurance is required by the City, the contractor will insure the title insurance policy names the City as mortgagee or beneficiary with applicable loan position. Further, the contractor will insure that all necessary title information and insurance coverage is current.
6. The contractor will submit a complete file to include all loans and grant related information and documents pertaining to the City's second loan position after the closing have taken place.

C. Other Loans Needs and Requirements – All Individual Residential Mortgage Loans

1. Provide technical assistance relative to current lending practices, policies and procedures to City staff that may be used in the development or modification of the City's existing and future loan programs;
2. The City will make payments based on a fee-for-service basis. Each billing must consist of an invoice and progress report. No payment will be made until staff has approved the progress report and invoice;
3. Same originating/underwriting needs and requirements for the City's second mortgage loans for loan subordinations, assumptions and refinancing.

40.2 Mortgage Loan Servicing

The Department of Community Development is soliciting proposals for Mortgage Loan Servicing.

The goal of this project is to encourage and assist low- and moderate-income borrowers to keep their loans current, assist those borrowers who have fallen behind due to hardships, to maintain effective management of the loan portfolio, and ultimately, to reduce the portfolio delinquency rates.

The work will include, but not limited to, the following services:

- Monthly Servicing
- Collections
- Loan Repayment Plans and/or Loan Modification recommendations
- Delinquency Counseling, Repayment Plan and Forbearance Evaluations
- Technical Assistance
- New Loan Set-Up, Loan Revisions and Payoffs
- Foreclosure Services
- Bankruptcy Tracking
- Record Maintenance
- Delinquency Counseling

The consultant/contractor will be expected to perform the following tasks:

Monthly Servicing

1. Provide diligent and customary loan service functions.
2. Maintain a complete and accurate account of the borrower's accounts and properly apply all sums collected from the borrower or through the partnering Primary Lending Bank (Economic Development Loans Only).
3. Deposit all payments received with respect to each loan into a demand deposit account in the name of the City of Durham; and remit to the City, on or before five (5) business days from the 20th of each month, the total receipt of all principal and /or interest payments paid by the borrower.
4. Provide default and delinquency monitoring.
5. Inspect and notify the City of all defaults and events of defaults by the borrower of which the contractor is aware. This may include sale, transfer, loss and/or damage to collateral used to secure loan, failure to provide adequate coverage of mortgaged property, borrower's misuse of mortgaged property, and/or other violations by a borrower of his/her/their obligations under the executed loan documents.
6. Keep all records in connection with the loans at the contractor's place of business and available, within twenty-four (24) hours' notice, for inspection during regular business hours, by City representatives, or other examiners/person lawfully and appropriately authorized by the City other governmental authorities.
7. Provide Automatic Payment and Pay by Phone options to borrowers.
8. Provide Insurance Monitoring and Forced Place insurance as necessary.
9. Provide Tax Monitoring.
10. Establish and monitor escrow and impound accounts, as necessary.
11. Report loans to no fewer than three (3) credit bureaus and respond to any disputed credit reports filed by borrowers.
12. **For Economic Development Loans:** Monitor expiration dates of UCC financing statements filed; prepare, execute and file UCC continuation statement as needed to continue the effectiveness of all such financing statements.

Collections

1. Take all customary and appropriate action to collect all loans when due on a monthly basis.

2. Create delinquent/default letters, including demand letters to each borrower who is 15, 30, 45, 60 and 90 days past due, and a list of letter recipients to be sent to the City, see addresses below.
3. Make telephone calls for residential and developer mortgage loans beginning at 30 days delinquent and for economic/commercial loans, calls will be made at 15, 30 and 45 days delinquent.
4. Submit confirmation letters to follow up telephone calls and send a copy of each to the City.
5. **For All Residential and Developer Mortgage Loans Only:** Upon the expiration of the 90-day demand letter, the Contractor will contact the City for approval to proceed with further legal collection proceedings, including foreclosure. Copies of correspondence should be mailed to:

City of Durham
Department of Community Development
807 East Main Street
Building 2, Suite 200
Durham, NC 27701
Attention: Loan Portfolio Analyst, cc Director

6. **For All Economic/Commercial Loans Only:** At 60 days past due, a demand letter is sent. If no corrective action is taken by borrower in the next 30 days, Contractor will notify the City and the Primary Lending Bank so the proper collection actions can be taken dependent on the type of Small Business Loan (past Repackage Loan vs. current Opportunity Loan). The City should be mailed copies of all collection and demand correspondence to the borrowers should be mailed to:

City of Durham
Office of Economic and Workforce Development
302 Pettigrew Street, Suite 109
Durham, North Carolina 27701
Attn: Economic Development, Senior Manager, cc Director

After receiving the demand letter, the borrower will be given 30 days to bring loan account current. If the borrower does not bring the account current the contractor will notify the City and the City will take the appropriate action based on the type of small business loan. The City currently has two types of loans in its small business loan portfolio being managed. They are the small business repackaged loans made prior to October 2003 and the Opportunity

Loan Program, which is a revised version of the small business loan program. For the few repackage loans that remain active in the loan portfolio from the City's first small business loan program, the following process is recommended:

1. If the contractor receives no response from the borrower by the end of 90 days, a demand letter will be sent to the borrower directly from the City demanding full payment of the loan. If the condition of the demand letter is not met, OEWD will handle the legal proceedings by turning over the account to the City Attorney's Office. A confession of judgment at this time will be filed by the attorney's office and the loan will be removed from OEWD's loan portfolio. A notification will be sent to the contractor to no longer service this account and remove part of or further legal proceedings will begin for collection and/or foreclosure.

Delinquency Counseling, Repayment Plan and Forbearance Evaluations

1. Work with borrowers to evaluate their financial situation, including budget and credit counseling, to formulate repayment plans or recommend loan modifications for borrowers more than ninety (90) days past due.
2. Work with borrowers to implement repayment plans for past due payments, generally no more than ninety (90) days past due and/or able to be brought current within 6-12 months. Send copies of letter agreements with borrowers to the City.
3. Prepare Forbearance Evaluations and work with borrowers who have encountered hardships to recommend loan modification actions.

Technical Assistance

1. Provide assistance to City staff relative to current lending practices, policies and procedures which may be used in the development or modification of the City's existing and future loan programs.

Set-up of New Loans, Loan Modifications and Loan Payoffs

1. From receipt of new loan information from the City, set-up of new loans should take no longer than two (2) weeks. Borrower shall be mailed a Welcome Letter and schedule of payment or coupon book within this time frame.

Set-up of New Loans, Loan Modifications and Loan Payoffs (cont.)

2. Upon request of the City, Loan modifications of existing loans within 24 hours.
3. Respond to payoff quote requests in a timely manner within 24 hours.
4. Any loans paid off in the Economic Development loan portfolio shall be confirmed by the City's Office of Economic and Workforce Development (See address above).

Foreclosure services

1. **For Residential and Developer Mortgages Only:** If the City consents to the initiation and completion of foreclosure on all collateral, including real and personal property, unless the City Manager or his/her designee has agreed otherwise, the servicing contractor shall notify the City at least fifteen (15) days

before the filing of a petition to initiate any special proceeding. The City shall have the right to approve the attorney chosen by contractor to represent the City, which approval shall not be unreasonably withheld. With respect to collection, the City will be responsible for filing, service fees and other costs for which the beneficiary is customarily responsible.

2. **For Economic Development Mortgages Only:** When a repackaged loan account is ninety (90) days past due, a copy of the demand letter should be sent to the City with notification of further proceedings. Copy of demand letter should be mailed to the City Office of Economic and Employment Development (see address above). Further collection procedures will include the initiation and completion of foreclosure on all collateral, including real and personal property. Unless the City Manager or her designee has agreed otherwise, the servicing contractor shall notify the City at least fifteen (15) days before the filing of a petition to initiate any special proceeding. Provided that neither the City nor the servicing contractor shall be liable for the fees of the trustees and attorneys, the servicing contractor shall make arrangements for trustees and attorneys to foreclose on the collect all appropriate amounts under the loan documents. The City shall have the right to approve the attorney chosen by contractor to represent the City, which approval shall not be unreasonably withheld. With respect to collection, the City will be responsible for filing and service fees and other costs for which the beneficiary is customarily responsible.

Bankruptcy Tracking

1. Track Chapter 7 and Chapter 13 Filings, file Proof of Claim or Reaffirmation Agreement, track pre- and post-petition payments and any other related tasks.

Record Maintenance

1. Maintain all records in a safe and secure environment.

Imaged Documents

1. All documents shall be imaged and accessible to the City at all times.

50. Compensation Amount and Schedule.

No payment will be made until the contract is approved by the Durham City Council and has been fully executed by all parties. Under no conditions will the City be liable for the payment of any interest charges associated with the cost of the contract.

The City will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the City has approved the progress report and invoice.

The contract term and work schedule set out herein represent the City's best estimate of the schedule that will be followed. If a component of this schedule, such as the opening date, is delayed, the rest of the schedule will likely be shifted by the same number of days.

The length of the contract will be from the date of award, approximately **June 1, 2013** for thirty–six **36 months** until completion, approximately **May 31, 2016**.

60. Definitions in this RFP: City, RFP, Proposal, Candidate, Contractor, Should.

Unless the context indicates otherwise – (a) the expressions “RFP,” “this RFP,” and “the RFP” refer to this document as it may be amended or updated. (b) “City” and “city” mean the City of Durham. (c) The “proposal” is the response of a person, firm, or corporation proposing to provide the services sought by this RFP. (d) The word “Candidate” or “candidate” is the person, firm, or corporation that submits a proposal or that is considering submitting a proposal. (e) The word “Contractor” or “contractor” is the person, firm, or corporation with which the City enters into a contract to provide the services sought by this RFP. That is, “contractor” generally refers to a successful candidate that has obtained a fully executed contract with the City, while “candidate” is generally reserved to the stage before a contract has been signed. (f) The word “should” is used to tell candidates what the City thinks it wants and/or what the project manager thinks is best. Candidates that want to increase the likelihood of being selected will, in general, do what the RFP says candidates “should” do, but failure to comply with all “shoulds” will not necessarily and automatically result in rejection.

70. Contract.

The City anticipates that the conclusion of the RFP process will be a contract between the City and the successful candidate under which the successful candidate will provide the goods and services generally described in this RFP. It is the City’s intention to use the contract that is attached as Exhibit A, modified and filled in to reflect the RFP and the proposal. If a candidate objects to any of the contract, it should state the objections in its proposal.

80. Trade Secrets and Confidentiality.

As a general rule, all submissions to the City are available to any member of the public. However, if materials qualify as provided in this section, the City will take reasonable steps to keep trade secrets confidential.

Definitions.

In this section (Trade Secrets and Confidentiality) –

The term “candidate” includes the candidate as contractor (that is, after it is a party to a contract with the City).

The term “trade secret” means business or technical information, including but not limited to a formula, pattern, program, device, compilation of information, method, technique, or process that:

a. Derives independent actual or potential commercial value from not being generally known or readily ascertainable through independent development or reverse engineering by persons who can obtain economic value from its disclosure or use; and

b. Is the subject of efforts that are reasonable under the circumstances to

maintain its secrecy. The existence of a trade secret shall not be negated merely because the information comprising the trade secret has also been developed, used, or owned independently by more than one person, or licensed to other persons.

The term “record” means all documents, papers, letters, maps, books, photographs, films, sound recordings, magnetic or other tapes, electronic data-processing records, artifacts, or other documentary material, regardless of physical form or characteristics, received by the City of Durham in connection with the candidate’s proposal.

(a) Designation of Confidential Records. To the extent that the candidate wishes to maintain the confidentiality of trade secrets contained in materials provided to the City, the candidate shall prominently designate the material with the words “trade secrets” at the time of its initial disclosure to the City. The candidate shall not designate any material provided to the City as trade secrets unless the candidate has a reasonable and good-faith belief that the material contains a trade secret. When requested by the City, the candidate shall promptly disclose to the City the candidate’s reasoning for designating material as trade secrets; the candidate may need to label parts of that reasoning as trade secrets. In providing materials to the City, the candidate shall make reasonable efforts to separate those designated as trade secrets from those not so designated, both to facilitate the City’s use of the materials and to minimize the opportunity for accidental disclosure. For instance, if only a sentence or paragraph on a page is a trade secret, the page must be marked clearly to communicate that distinction. To avoid mistake or confusion, it is generally best to have only trade secret information on a page and nothing else on that page.

To the extent authorized by applicable state and federal law, the City shall maintain the confidentiality of records designated “trade secrets” in accordance with this section. Whenever the candidate ceases to have a good-faith belief that a particular record contains a trade secret, it shall promptly notify the City.

(b) Request by Public for Access to Record. When any person requests the City to provide access to a record designated as a trade secret in accordance with subsection (a) above, the City may

- (1) decline the request for access,
- (2) notify the candidate of the request and that the City has provided, or intends to provide, the person access to the record because applicable law requires that the access be granted, or
- (3) notify the candidate of the request and that the City intends to decline the request.

Before declining the request, the City may require the candidate to give further

assurances so that the City can be certain that the candidate will comply with subsection (c) below.

(c) Defense of City. If the City declines the request for access to a record designated as trade secrets in accordance with subsection (a), then, in consideration of the promises in (b) above and for considering the candidate's proposal, the candidate agrees that it shall defend, indemnify, and save harmless Indemnities from and against all Charges that arise in any manner from, in connection with, or out of the City's non-disclosure of the records. In providing that defense, the candidate shall at its sole expense defend Indemnities with legal counsel. The legal counsel shall be limited to attorneys reasonably acceptable to the City Attorney.

Definitions. As used in this subsection (c), "Charges" means claims, judgments, costs, damages, losses, demands, liabilities, fines, penalties, settlements, expenses, attorneys' fees, and interest. "Indemnities" means the City, and officers, officials, independent contractors, agents, and employees, of the City. "Indemnities" does not include the candidate. The City may require the candidate to provide proof of the candidate's ability to pay the amounts that may reasonably be expected to become monetary obligations of the candidate pursuant to this section. If the candidate fails to provide that proof in a timely manner, the City shall not be required to keep confidential the records whose non-disclosure gives rise to the potential monetary obligation. Nothing in this agreement shall require the City to require any person (including the City itself) to be placed in substantial risk of imprisonment, of being found by a court to be in contempt, or of being in violation of a court order. This subsection (c) is separate from and is to be construed separately from any other indemnification and warranty provisions in the contract between the City and the candidate.

90. Bonds.

No performance bond or payment bond is required for this contract.

100. Insurance. Contractor shall maintain insurance not less than the following:

Commercial General Liability, covering

- premises/operations
- products/completed operations
- broad form property damages
- explosion, collapse, and underground hazards if the hazards exist in the performance of this contract
- contractual liability
- independent contractors, if any are used in the performance of this contract
- City of Durham must be named additional insured, and an original of the endorsement to effect the coverage must be attached to the certificate (if by blanket endorsement, then agent may so indicate in the GL section of the certificate, in lieu of an original endorsement)

- combined single limit not less than \$1,000,000.00 per occurrence; aggregate limit not less than \$2,000,000.00 per year

Bankers E&O Insurance, covering

- covering claims arising out appraisal work performed under this contract
- self-insured retentions/deductibles in excess of \$10,000.00 must be approved by the City Finance Director
- coverage may be provided either by specific policy or as part of the Commercial General Liability Policy
- combined single limit not less than \$5,000,000.00 per occurrence; aggregate limit not less than \$5,000,000.00 per year; if coverage is only available on claims made basis, then additional coverage requirements may apply, subject to review of the City's Risk Manager

Automobile Liability Insurance, covering

- owned, hired, or borrowed vehicles
- employee vehicles, if used in performance of this contract
- combined single limit not less than \$1,000,000.00 per occurrence; aggregate limit not less than \$2,000,000.00 per year

Workers' Compensation Insurance, covering

- statutory benefits;
- covering employees; covering owners partners, officers, and relatives (who work on this contract)
- employers' liability, any limits

Financial Institution Bond

- Limit not less than \$5,000,000.00

Insurance shall be provided by:

- Companies authorized to do business in the State of North Carolina
- Companies with Best rating of A or better

Insurance shall be evidenced by a certificate:

- Providing notice to the City of not less than thirty (30) days prior to cancellation or reduction of coverage
- Certificates shall be addressed to:

City of Durham, North Carolina
Attention: Finance Director
101 City Hall Plaza
Durham, North Carolina 27701

- Both the insurance certificate and the additional insured endorsement must be originals and must be approved by the City's Finance Director before contractor can begin any work under this contract.

110. Discretion of the City.

A. The City of Durham reserves the right to reject any or all proposals.

B. NOTWITHSTANDING anything to the contrary in this document or in any addendums to this document, unless the contrary provision refers specifically to this provision, the City reserves the right (i) to negotiate changes of any nature with any candidate with respect to any term, condition, or provision in this document and/or in any proposals, whether or not something is stated to be mandatory and whether or not it is said that a proposal will be rejected if certain information or documentation is not submitted with it, and (ii) to enter into an agreement for some or all of the work with one or more persons, firms, or corporations that do not submit proposals. For example, all deadlines are for the administrative convenience or needs of the City and may be waived by the City in its discretion. This subparagraph B applies to the entire RFP, including the SDBE portions.

C. Where the City asks or tells candidates to do stated things, such as that a proposal should follow a stated format or that the candidate should do stated things in seeking the contract, the City may reject a proposal because it does not comply with those requests, so the candidate is adding to its risk of rejection by non-compliance. Still, the City may, in its discretion, waive non-compliance. This subsection (C) does not limit subsections (A) and (B).

D. Of course, once a contract is signed, the parties to the contract may enforce the contract according to its terms as allowed by applicable law.

SCHEDULE

120. Schedule.

The approximate contract schedule is as follows:

- [a] Issue RFP: **December 27, 2012**
- [b] Pre-Submittal Conference/Meeting: **January 16, 2013**
- [b] Last Day to Receive Proposals: **January 28, 2013**
- [c] Proposal Evaluation Committee complete evaluation by: **February 13, 2013**
- [d] Council Agenda Item Deadline: **March 19, 2013**
- [e] Council Work Session: **April 4, 2013**
- [f] Council Meeting and Approval: **April 15, 2013**
- [g] Contract Start Date: **June 1, 2013**
- [h] Contract End Date: **May 31, 2016**

130. Keeping Proposals Open.

All proposals will remain open and valid for the City to accept for a period of **90** days after the deadline for submission of proposals. The Project Manager may release candidates from this obligation by a written letter that specifically refers to this paragraph if he or she determines that the candidate and/or the proposal will not meet the City's needs.

140. Deadline to Submit Proposals.

Candidates should see that their proposals are received at the following address by **Monday, January 28, 2013 at 3:00p.m.**

GETTING MORE INFORMATION ON THE PROJECT AND RFP PROCESS

150. Questions.

Questions about the RFP and the RFP process should be submitted to the project manager identified at the beginning of this RFP.

160. Pre-submittal conferences, meetings, and site visits.

The City will conduct a pre-submittal meeting **January 16, 2013 at 10:00 a.m. Department of Community Development, 807 East Main Street, Building 2, Suite 200, Durham, North Carolina 27701.** Attendees should already be familiar with this RFP.

170. Updates and revisions to RFP.

If you have supplied the Project Manager with your preferred method of contact (email, fax, etc.), updates to this RFP ("addendums" or "addenda") will be sent to you in that manner. This RFP and addendums are normally posted on the City's website, on the Purchasing Division's webpage, at <http://durhamnc.gov/ich/as/fin/Pages/bids.aspx> . Check that webpage to see that you have received all addenda.

EVALUATION CRITERIA

180. Evaluation Criteria. If an award is made, it is expected that the City's award will be to the candidate that agrees to meet the needs of the City. A number of relevant matters will be considered, including qualifications and cost. The Evaluation Criteria are intended to be used to make a recommendation to the entity or person (City Manager or the City Council) who will award the contract, but who is not bound to use these criteria or to award on the basis of the recommendation. The City reserves the right to change the criteria and to otherwise vary from this procedure as it determines to be in the City's interest.

190. Understanding of the Project— 5 points

Proposals will be evaluated against the questions set out below.

- (a) How well has the candidate demonstrated a thorough understanding of the purpose and scope of the project?

- (b) How well has the candidate identified issues and potential problems related to the project?
- (c) How well has the candidate demonstrated that it understands the deliverables the City expects it to provide?
- (d) How well has the candidate demonstrated that it understands the City's schedule and can meet it?
- (e) Adherence to the City's SDBE program.

200. Methodology Used for the Project— 15 points

Proposals will be evaluated against the questions set out below.

- (a) How well does the methodology depict a logical approach to fulfilling the requirements of the RFP?
- (b) How well does the methodology match and contribute to achieving the objectives set out in the RFP?
- (c) How well does the methodology interface with the schedule in the RFP?

210. Management Plan for the Project— 20 points

Proposals will be evaluated against the questions set out below.

- (a) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- (b) How well is accountability completely and clearly defined?
- (c) Is the organization of the project team clear?
- (d) How well does the management plan illustrate the lines of authority and communication?
- (e) To what extent does the candidate already have the hardware, equipment, and licenses necessary to perform the contract?
- (f) Does it appear that the candidate can meet the schedule set out in the RFP?
- (g) Has the candidate offered alternate deliverables and gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- (h) Is the proposal practical, feasible, and within budget?
- (i) How well have potential problems been identified?
- (j) Is the proposal responsive to all material requirements in the RFP?

220. Experience and Qualifications— 35 points

Proposals will be evaluated against the questions set out below.

Questions regarding the personnel:

- (a) Do the individuals assigned to the project have experience on similar projects?
- (b) Are resumes complete and do they demonstrate backgrounds that are desirable for individuals engaged in the work the project requires?
- (c) How extensive are the applicable education and experience of the personnel designated to work on the project?
- (d) How knowledgeable are the candidate's personnel of the local area and how many individuals have worked in the area previously?

Questions regarding the candidate:

- (e) How well has the candidate demonstrated experience in completing similar projects on time and within budget?
- (f) How successful is the general history of the candidate regarding timely and successful completion of projects?
- (g) Has the candidate provided letters of reference from clients?
- (h) How reasonable are the candidate's cost estimates?
- (i) If subcontractors will perform work on the contract, how well do they measure up to the evaluation used for the candidate?

230. Contract Cost— 25 points

The lowest cost proposal will receive the maximum number of points allocated to cost. Cost is one of a number of factors, so a candidate with the lowest cost cannot count on being selected.

CONTENTS OF PROPOSAL**240. Contents of Proposal.**

The proposal should include sections, numbered as follows:

240.1 Contact information. Include the candidate's name and address, and the contact information (name, mailing address, email address, fax number, and telephone number) of the person whom the City should contact regarding the proposal.

240.2 Legal Status of the Candidate and Signers. State the full, exact name of the candidate. State whether the candidate is an individual, corporation, limited

partnership, general partnership, limited liability company, professional corporation, professional association, etc. If it is anything other than an individual or a general partnership, specify the State under which the entity is organized. If the State under which the entity is organized is not North Carolina, specify whether the candidate has received a certificate of authority from the N. C. Secretary of State to transact business in North Carolina. State whether the entity is in existence at the time the proposal is submitted, and if not, whether and when the candidate intends to officially form the entity. State the names and titles of the individuals who will sign the contract with the City.

240.3 Qualifications, References and Licenses. This part should include the candidate's experience on similar projects and include references and how to contact them.

Provide a brief company history including how long the company has been in business providing originating and underwriting services as well as loan servicing.

An organizational chart specific to the personnel assigned to accomplish the work called for in this RFP. Illustrate the lines of authority and, designate the individual's responsible and accountable for the completion of each component and deliverable of the RFP.

Provide a narrative description of the organization of the project team.

Provide a personnel roster that identifies each person who will actually work on the contract and provide the following information about each person listed:

- [a] title,
- [b] resume,
- [c] location (s) where work will be performed, and
- [d] itemize the total cost and the number of estimated hours for each individual named above.

Provide reference names and phone numbers for similar projects your firm has completed. Information should include: list of services provided, address, telephone and fax numbers, length of implementation, name of client reference, and name of Project Manager.

Provide a copy of the firm's most recent Audited Financial Statement

List the candidate's current licenses that are pertinent to this project.

The City may reject proposals from any candidate that does not hold licenses required by N.C. laws to perform the contemplated work. –Or - If a N. C. license or other approval by a N.C. State agency is required to perform the work and a

candidate lacks such a license when it submits its proposal, the City may consider that circumstance in making the award.

240.4 Project Team, Location of Work and Subcontracting. State the names and qualifications of the individuals who will have responsibility for this project.

The City WILL NOT provide workspace for the contractor. The contractor must provide its own workspace. Preference will be given to Candidates within a five hour driving radius.

A. Subcontractors - Mortgage Loan Originating and Underwriting

No Subcontracting will be allowed.

B. Subcontractors – Mortgage Loan Servicing

Subcontractors may be used to perform work under this contract. If an offeror intends to use subcontractors, the offeror must identify in their proposal the names of the subcontractors and the portions of the work the subcontractors will perform.

If a proposal with subcontractors is selected, the offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the City's request:

- [a] complete name of the subcontractor,
- [b] complete address of the subcontractor,
- [c] type of work the subcontractor will be performing,
- [d] percentage of work the subcontractor will be providing,
- [e] evidence, as set out in the relevant section of this RFP, that the subcontractor holds a valid business license,
- [f] a written Statement, signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.
- [g] documentation requested from the contractor in Section 6.06, Experience and Qualifications of this RFP.

An offeror's failure to provide this information within the time set may cause the City to consider their proposal non-responsive and reject the proposal.

The substitution of one subcontractor for another may be made only at the discretion of and with prior written approval from the director of the Department of Community Development.

240.5 Methods and Procedures.

Respondents must provide a comprehensive narrative statement that sets out the methodology they intend to employ and illustrates how their methodology will serve to accomplish the work and meet the City's service schedule. The Respondents should provide a detailed plan for implementing the services.

Respondents must provide a comprehensive narrative statement that sets out the management plan they intend to follow and illustrates how their plan will serve to accomplish the work:

- Service delivery standards
- Problem reporting and resolution procedures

240.6 Compensation. See section 50 (**Compensation Amount and Schedule**) above.

240.7 Assumptions regarding City of Durham Actions and Participation. If your proposal assumes that the City will take certain actions, provide facilities, or do anything else, you should state these assumptions explicitly.

240.8 EQUAL BUSINESS OPPORTUNITY PROGRAM

It is the policy of the City to provide equal opportunities for City contracting for small firms owned by socially and economically disadvantaged persons doing business in the City's Contracting Marketplace. It is further the policy of the City to prohibit discrimination against any firm in pursuit of these opportunities, to conduct its contracting activities so as to prevent such discrimination, to correct present effects of past discrimination and to resolve complaints of discrimination.

While there are no SDBE participation goals for this project, in accordance with the Ordinance, all contractors are required to provide information requested in the "SDBE Professional Services Forms" package. **Proposals that do not contain the appropriate, completed "Professional Services Forms" will be deemed non-responsive and ineligible for consideration.** The "Declaration of Performance," "Participation Documentation," Managerial Profile," "Equal Employment Opportunity Statement" and the "Employee Breakdown" documents are required of all contractors. In lieu of "Employee Breakdown," contractors may submit a copy of the current EEO-1 form (corporate basis). Other forms in the package should be used as needed.

The Department of Equal Opportunity/Equity Assurance is responsible for the Equal Business Opportunity Program. All questions about "SDBE Professional Services Forms" should be referred to Deborah Giles or other department staff at (919) 560-4180.

240.9 Financial Condition, Insurance and Bonds. See sections 90 and 100 above on **Bonds** and on **Insurance**.

240.10 Conflict of Interest. If the candidate has any grounds to believe there could be a conflict of interest, such as that a City employee who is involved in awarding the contract has a connection with the candidate, please explain.

240.11 Non-collusion

Sign the following and include it with your response:

NON-COLLUSION AFFIDAVIT

By executing this proposal, I certify that this proposal is submitted to the City of Durham competitively and without collusion. I am authorized to represent the candidate both in submitting this bid and in making this Non-collusion Affidavit. To the best of my knowledge and belief, (1) the candidate has not violated N. C. General Statute section 133-24 in connection with the proposal, (2) the candidate has not entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with its proposal, and (3) the candidate intends to do the work with its own bonafide employees or subcontractors and is not bidding for the benefit of another contractor. The neuter includes the masculine and the feminine. The candidate to whom this Non-Collusion Affidavit refers is:

(insert name of candidate)

(Signature of individual

ACKNOWLEDGMENT

Type or print name of the individual who signed the affidavit:

Type or print the name of Notary Public signing this acknowledgment:

Place where acknowledgment occurred: County of _____, State of _____

Notary's residence: County of _____, State of _____

I, the Notary Public named above, certify (1) the individual named above personally appeared before me this day, (2) I have personal knowledge, or satisfactory evidence, of the individual's identity; and (3) the individual acknowledged signing the foregoing affidavit.

This the ____ day of _____, 20____.

Notary Public

My commission expires:

COVER LETTER WITH PROPOSAL

250. Cover letter. The proposal should contain a cover letter, signed by a principal of the candidate. The cover letter should contain the following statement:

The undersigned, whose title and position with the candidate are stated next to or beneath his or her signature, has the authority to submit this proposal (including this cover letter) on behalf of the candidate in response to the City of Durham's Request for Proposals.

Unless otherwise clearly stated in this response to the RFP, our proposal accepts the terms and conditions stated in the RFP, including the description of services to be performed and the provisions of the contract to be signed.

The cover letter should contain the following paragraph A. If (i) the cover letter lacks paragraph A or (ii) the cover letter contains paragraph A but fails to comply with the instructions in the section of the RFP titled "Trade Secrets and Confidentiality," the City may treat everything it receives from the candidate as NOT trade secret or confidential, and the City may disclose to the public everything it receives from the candidate.

A. With respect to all trade secrets that the candidate may submit to the City in connection with this proposal or the contract, if the contract is awarded to the candidate, the candidate shall comply with the section of the RFP titled "Trade Secrets and Confidentiality," including all of its subsections, including the subsection titled "Defense of City." The candidate acknowledges that the City will rely on the preceding sentence.

260. Addendums. The cover letter should list the last addendum that the City issues for this RFP, with a statement such as *The undersigned candidate has read all the addendums issued by the City for this RFP, through and including Addendum No. ____*. In that blank the candidate should list the number of the last addendum

HOW TO SUBMIT A PROPOSAL

270. How to submit a proposal.

Candidates should submit their proposals in a sealed envelope. The envelope should be addressed for delivery to the Project Manager at the address shown in the "Project Manager and Contact with City" section at the beginning of this RFP.

Write the following prominently on the outside of the envelope:

City of Durham
Department of Community Development
Attn: Loan Originating/Underwriting – Mortgage Loan Servicing RFP
807 East Main Street
Building 2, Suite 200
Durham, North Carolina 27701

Proposals are to be received no later than **3:00 p.m. on January 28, 2013**. Proposals should not be made by email or fax.

280. Format.

Respondents must submit one (1) original and seven (7) copies of their proposal for the originating and underwriting, and loan servicing in writing, to the Department of Community Development in a sealed envelope. The original copy must be signed by an officer who is authorized to bind the Respondent contractually. Also, the name and title of the individual who signed the proposal should be typed immediately below the signature.

290. Alternative Proposals.

If you wish to submit a proposal that does not comply with the City's standards and expectations, consider submitting two proposals: a proposal that complies, plus a proposal that does not comply, so that your "non-compliant" version can be considered as an alternative if the City is interested. This will allow your compliant version to be considered if the City remains steadfast on applying the standards and expectations.

300. Candidate to Bear Expense; No Claims against City.

No candidate will have any claims or rights against the City arising out of the participation by a candidate in the proposal process. No candidate will have any claims or rights against the City for the City's failure to award a contract to it or for awarding a contract to another person, firm, or corporation, regardless of whether the other person, firm, or corporation participated in the RFP process or did not submit a proposal that complied with the RFP. A notice of award will not constitute acceptance by the City; the City's only method of acceptance is the City's execution of a formal contract in accordance with law.

310. Business Tax (also called the Privilege License Tax).

The City's practice is that if a City business tax receipt (privilege license) is required to perform the work under the contract, the candidate needs to obtain the receipt (license) before the City will sign the contract. For information, call (919) 560-4700 or look for the Finance Department, General Billing and Collections Division, on the City's website, at <http://durhamnc.gov/ich/as/fin/Pages/General-Billing-and-Collections-Division.aspx>.

320. Notice under the Americans with Disabilities Act.

Persons who require assistance should call (919) 560-4197, TTY (919) 560-1200, or e-mail ADA@durhamnc.gov no later than 48 hours before the event.



CITY OF DURHAM SMALL DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

PROFESSIONAL SERVICES FORMS

Revised 06/08



Mailing Address:

**101 City Hall Plaza
Durham, North Carolina 27701
Phone: 919-560-4180
Facsimile: 919-560-4513**

Street Address:

**302 East Pettigrew Street, C-180
Durham, North Carolina 27701**

The Department of Equal Opportunity/Equity Assurance
Good Things Are Happening In Durham

CITY OF DURHAM EQUAL BUSINESS OPPORTUNITY PROGRAM

Policy Statement

It is the policy of the City to provide equal opportunities for City contracting to small firms owned by socially and economically disadvantaged persons doing business in the City's Contracting Marketplace. It is further the policy of the City to prohibit discrimination against any firm in pursuit of these opportunities, to conduct its contracting activities so as to prevent such discrimination, to correct the present effects of past discrimination and to resolve complaints of discrimination.

Goals

To increase the dollar value of all City contracts for goods and services awarded to small disadvantaged business enterprises, it is a desire of the City that the contractor will voluntarily undertake efforts to increase the participation of socially and economically disadvantaged individuals at higher skill and responsibility levels within non-minority firms engaged in contracting and subcontracting with the City.

The Equal Opportunity/Equity Assurance Director shall establish project specific goals for each project or contract based upon the availability of small disadvantaged business enterprises (SDBE's) within the defined scope of work, delineated into percentages of the total value of the work.

Equal Business Opportunity Ordinance SDBE Participation Documentation

If applicable information is not submitted with your proposal, your proposal will be deemed non-responsive.

Declaration of Performance must be completed and submitted with your proposal.
SDBE Participation Documentation must be used to document participation of Small Disadvantaged Business Enterprise (SDBE) on Professional Services projects. All SDBEs must be certified by the City of Durham's Equal Opportunity/Equity Assurance Department prior to submission date. If a business listed has not been certified, the amount of participation will be reduced from the total utilization.

Managerial Profile must be used to list the managerial persons in your workforce who will be participating in this project.

Equal Employment Opportunity Statement for your company must be completed and submitted with your proposal.

Employee Breakdown must be completed and submitted for the location providing the service/commodity. If the parent company will be involved in providing the service/commodity on the City contract, a consolidated employment breakdown must be submitted.

Letter of Intent to Perform as a Sub-consultant/Subcontractor must be completed for SDBEs proposed to perform on a contract. This form must be submitted with the proposal.

Post Proposal Submission SDBE Deviation

Post proposal submission SDBE deviation participation documentation must be used to report and deviation from SDBE participation either prior to or subsequent to startup of the project. The Equal Opportunity/Equity Assurance Department must be notified if the proposed sub-consultant/subcontractor is unable to perform and for what reasons. Substitutions of sub-consultants/subcontractor, both prior to and after awarding of a contract, are subject to City approval.

SDBE Goals Not Met/Documentation of Good Faith Efforts

It is the responsibility of consultants/contractors to make good faith efforts. Good Faith Efforts means the sum total of efforts by a particular business to provide equitable participation of socially and economically disadvantaged employees and sub-consultants/subcontractors.

Whenever contract alternatives, amendments or extra work orders are made individually or in the aggregate, which increase the total value of the original contract, the consultant must make a good faith effort to increase SDBE participation such that the amounts subcontracted are consistent with the established goals.

SELECTION OF CONSULTANTS/CONTRACTORS FOR ARCHITECTURAL/ENGINEERING AND OTHER PROFESSIONAL SERVICES

Goal

The purpose is to provide Small Disadvantaged Businesses equal opportunities for participation on City of Durham contracts.

Definition of the Scope of the Selection Policy

The Equal Opportunity/Equity Assurance Director shall establish SDBE participation goals for each contract to be awarded by the City. Project specific goals for each project or contract will be based upon the availability of small disadvantaged business enterprises (SDBE's) within the defined scope of work, delineated into percentages of the total value of the work.

In addition to SDBE's specifically certified by the City and listed in a database maintained by the EO/EA Department, the City of Durham may consider a formal certification of another entity to determine whether an applicant meets requirements of the Equal Business Opportunity Program, provided that the City Manager or designee determines that the certification standards of such entity are comparable to those of the City. The City of Durham has determined that the following certifications are comparable to its own and may be used by bidders/proposers: North Carolina Department of Transportation (N.C. DOT), United States Small Business Administration (U.S. SBA) and Raleigh-Durham Airport Authority (RDU).

In lieu of SDBE's listed in its SDBE System, the City of Durham will accept women and minority firms certified by N.C. DOT, U.S. SBA and RDU as meeting its SDBE goal requirements provided the bidder/proposer submits evidence that the firm is currently certified by one of the stated entities at the time of bid/proposal. Failure to provide evidence of certification may disqualify the firm's participation for the purpose of meeting SDBE goals.

Any firm submitted in this manner will be contacted and urged to complete an abbreviated certification process with the City of Durham. For purposes of this document and associated forms, any reference to a "City Certified SDBE," an "SDBE certified by the City" or similar reference shall include reference to a qualified women or minority owned firm certified and approved in accordance with the above paragraphs, even where specific reference is made to the City SDBE database.

Small Disadvantaged Business Proposal Requirements

The prime consultant/contractor shall submit a proposal in accordance with the City of Durham's Request for Proposal. In addition, the prime consultant/contractor must submit all required Professional Services SDBE Forms.

Selection Committee for Professional Services

A selection committee shall be established to be composed of the following: City Manager or a designated representative of this office; Director of Finance or a designated representative of this office; department head responsible for the project; City Engineer if engineering services are involved; the Equal Opportunity/Equity Assurance Director and Purchasing Manager. Other representatives shall be called upon as needed based on their areas of expertise.

The committee shall screen the proposals based on the following criteria:

1. Firms; interest in the project;
2. Current work in progress by firm;
3. Past experience with similar projects;
4. General proposal for carrying out the required work;
5. Designation of key personnel who will handle the project, with resume for each;
6. Proposed associate consultants/contractors, SDBE subconsultants;
7. Indication of capability for handling project;
8. Familiarity with the project;
9. Fees that have been charged for recent comparable projects;
10. References;
11. SDBE Participation; and
12. Documentation of Good Faith efforts.

After ranking the firms presenting proposals based on the above criteria, interviews will be conducted by the selection committee with the top ranked firms (3-5). The contracting department will make the final recommendation, prepare contracts for review by the City Attorney, and prepare the recommendation for the City Council including the following:

1. Description and scope of the project;
2. Recommended firm;
3. Contract cost;
4. Time limits;
5. Basis for selection;
6. Source for funding;
7. Equal Business Opportunity Ordinance compliance; and
8. Recommendation that the contract be approved by the City Council.

Contract Award

A provision must be written in each contract with an architect or engineer requiring them to work with Equal Opportunity/Equity Assurance Department in creating and identifying separate work.

Project Evaluation

An evaluation shall be made of each contract after its completion to be used in consideration of future professional services contracts. The evaluation shall cover appropriate items from the check list for ranking applicants. A copy of the evaluation shall be given to the consultant, and any comment he/she cares to make shall be included in the files.

DECLARATION OF PERFORMANCE BY CONSULTANT/CONTRACTOR

Briefly address each of the following items:

1. A brief synopsis of the company and the products/services it provides:
2. Describe the normal procedure used on a bid of this type, giving the flow of purchase from the company to the ultimate purchaser:
3. List anyone outside of your company with whom you will contract on this bid:

The undersigned consultant/contractor certifies that: (check appropriate box)

- a) _____ It is the normal business practice of the consultant/contractor to perform all elements of the contract with its own workforce without the use of subcontractors/vendors; and
- b) _____ That the above documentation demonstrates this *firm's* capabilities to perform all elements of the contract with its own work force or without the use of subcontractors/vendors.
- c) _____ The vendor/contractor will use a subconsultant(s) in the fulfillment of this scope of work.

Date

Authorized Signature

PARTICIPATION DOCUMENTATION
(TO BE COMPLETED BY PRIME CONSULTANT/CONTRACTOR ONLY)

**Names of all firms
 Project (including
 prime and
 subconsultants/sub-
 contractors)**

Location

**SDBE
 Firm
 Yes/No**

**Nature
 of
 Participation**

**% of Project
 Work**

TOTAL _____

Name - Authorized Officer of Prime Consultant/Contractor Firm (Print/Type)

Signature - Authorized Officer of Prime Consultant/Contractor Firm

Date

Managerial Profile

Name of Firm: _____

Contact Person: _____

Title: _____

Address: _____

Telephone No.: _____

Date: _____

List the managerial persons in your work force who will be participating in this project, including name, position, and whether the individuals are minority or woman within the definition* of the City of Durham's Equal Business Opportunity Ordinance.

Managerial Employees

NAME	POSITION	SOCIALLY/ECONOMICALLY DISADVANTAGED* (YES/NO)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

* M-Minority(African American) W-Woman Other-H-Hispanic, AI-American Indian,
AS-Asian American, Handicapped

EQUAL EMPLOYMENT OPPORTUNITY STATEMENT
(You may submit your organization's EEO policy in lieu of this sheet)

EMPLOYEE BREAKDOWN

Part A – Employee statistics for the primary location.

Employment category	Total employees	Total males	Total females	M—e—m—e—s					F—e—m—e—s				
				White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native
Project manager													
Professional													
Technical													
Clerical													
Labor													
Totals													

Part B – Employee statistics for the consolidated company. *(See instructions for this form on whether this part is required.)*

Employment category	Total employees	Total males	Total females	M—e—m—e—s					F—e—m—e—s				
				White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native	White	Black	Hispanic	Asian or Pacific Islander	Indian or Alaskan Native
Project manager													
Professional													
Technical													
Clerical													
Labor													
Totals													

Letter of Intent to Perform as a Sub-Consultant

The undersigned intends to perform work in connection with the above project as a SDBE:

Minority (African American) • Woman • Hispanic •
American Indian • Asian American • Handicapped •

The SDBE status of the undersigned is certified by the City of Durham as identified by the attached copy of certification or the attached SDBE Contractor Identification List supplied by the EO/EA Department.

The undersigned is prepared to perform the following described work in connection with the above project (specify in detail particular work items or parts thereof to be performed):

You have projected the following commencement date for such work, and the undersigned is projecting completion of such work as follows:

<u>ITEMS</u>	<u>PROJECTED COMMENCEMENT DATE</u>	<u>PROJECTED COMPLETION DATE</u>

The consultant will subcontract _____% of the dollar value of this contract to a SDBE subconsultant/subcontractor and/or non-SDBE subconsultant/subcontractor.

The undersigned will enter into a formal agreement in the amount of \$_____ for the above work with you, conditioned upon your execution of a contract with the City of Durham.

Name_____ Title_____

Company_____ Telephone_____

Address_____

Signature_____

REQUEST TO CHANGE SDBE PARTICIPATION

Project: _____

Name of bidder or consultant: _____

Name and title of representative bidder or consultant: _____

Address (including zip code): _____

Telephone number: _____ Fax number: _____

Email address: _____

Total amount of original contract, before any change orders or amendments: _____

Total amount of the contract, including all approved change orders and amendments to date, but not counting the changes proposed in this form: _____

Dollar amount of changes proposed in this form: _____

The proposed change (*check one*) ☐ **increases** ☐ **decreases** the dollar amount of the bidder's/consultant's contract with the City.

Does the proposed change decrease the SDBE participation? (*check one*) ☐ **yes** ☐ **no**

If the answer is **yes**, complete the following:

BOX A. For the subcontract proposed to be changed (increased, reduced, or eliminated):

Name of subconsultant: _____

Goods and services to be provided before this proposed change: _____

Is it proposed to eliminate this subcontract? ☐ yes ☐ no

If the subcontract is to be increased or reduced, describe the nature of the change (*such as adding \$5,000 in environmental work and deleting \$7,000 in architectural*): _____

Dollar amount of this subcontract before this proposed change: _____

Dollar amount of this subcontract after this proposed change: _____

This subconsultant is (*check one*):

- ☐ 1. City-certified Black-owned SDBE
- ☐ 2. City-certified Women-owned SDBE
- 3. City-certified SDBE that is neither Black-owned nor women owned, but to be credited as
 - 3(a) ☐ Black-owned SDBE 3(b) ☐ Women-owned SDBE
- ☐ 4. not a City-certified SDBE

BOX B. Proposed subcontracts other than the subcontract described in Box A above

Name of subcontractor for the new work: _____

Goods and services to be provided by this proposed subcontract: _____

Dollar amount proposed of this proposed subcontract: _____

This subcontractor is (*check one*):

- ☐ 1. City-certified Black-owned SDBE
- ☐ 2. City-certified women-owned SDBE
- 3. City-certified SDBE that is neither Black-owned nor women owned, but to be credited as
 - 3(a) ☐ Black-owned SDBE 3(b) ☐ Women-owned SDBE
- ☐ 4. not a City-certified SDBE

Add additional sheets as necessary.

SDBE GOALS NOT HAVING BEEN MET. The following information must be presented by the consultant concerning good faith efforts taken.

It is the responsibility of consultants to make good faith efforts. Any act or omission by the City shall not relieve them of this responsibility. For future efforts, it shall be comprised of such efforts which are proposed to allow equitable participation of socially and economically disadvantaged employees and sub-consultants/subcontractors. The City Manager shall apply the following criteria, with due consideration of the quality, quantity, intensity and timeliness of efforts of consultants/contractors, in determining good faith efforts to engage SDBEs along with other criteria that the City Manager deems proper:

Name of Bidder:

*If you find it helpful, feel free to attach pages to explain your answers. **How many pages is your firm attaching to this questionnaire?** _____ (Don't count the 2 pages of this questionnaire.)*

If a yes or no answer is not appropriate, please explain the facts. All of the answers to these questions relate only to the time before your firm submitted its bid or proposal to the City. In other words, actions that your firm took after it submitted the bid or proposal to the City cannot be mentioned or used in any answers.

1. SOLICITING SDBEs.

- (a) Did your firm solicit, through all reasonable and available means, the interest of all SDBEs certified (that is, in the City's database) in the scope of work of the contract?
☐ **yes** ☐ **no**
- (b) In such soliciting, did your firm advertise? ☐ **yes** ☐ **no** Are you attaching copies to this questionnaire, indicating the dates and names of newspaper or other publication for each ad if that information is not already on the ads? ☐ **yes** ☐ **no**
- (c) In such soliciting, did your firm send written (including electronic) notices or letters? Are you attaching one or more sample notices or letters? ☐ **yes** ☐ **no**
- (d) Did your firm attend the pre-bid conference? ☐ **yes** ☐ **no**
- (e) Did your firm provide interested SDBEs with timely, adequate information about the plans, specifications, and requirements of the contract? ☐ **yes** ☐ **no**
- (f) Did your firm follow up with SDBEs that showed interest? ☐ **yes** ☐ **no**
- (g) With reference to the SDBEs that your firm notified of the type of work to be subcontracted, did your firm tell them:
 - (i) the specific work your firm was considering for subcontracting? ☐ **yes** ☐ **no**
 - (ii) that their interest in the contract is being solicited? ☐ **yes** ☐ **no**
 - (iii) how to obtain and inspect the applicable plans and specifications and descriptions of items to be purchased? ☐ **yes** ☐ **no**

2. BREAKING DOWN THE WORK.

(a) Did your firm select portions of the work to be performed by SDBEs in order to increase the likelihood that the goals would be reached? ☐ **yes** ☐ **no**

(b) If **yes**, please describe the portions selected. **ANSWER:**

3. NEGOTIATION. In your answers to 3, you may omit information regarding SDBEs for which you are providing Form E-105.

(a) What are the names, addresses, and telephone numbers of SDBEs that you contacted?
ANSWER:

(b) Describe the information that you provided to the SDBEs regarding the plans and specifications for the work selected for potential subcontracting. **ANSWER:**

(c) Why could your firm not reach agreements with the SDBEs that your firm made contact with? Be specific. **ANSWER:**

4. ASSISTANCE TO SDBEs ON BONDING, CREDIT, AND INSURANCE.

(a) Did your firm or the City require any subcontractors to have bonds, lines of credit, or insurance? ☐ **yes** ☐ **no** (Note: In most projects, the City has no such requirement for *subcontractors*.)

(b) If the answer to (a) is **yes**, did your firm make efforts to assist SDBEs to obtain bonds, lines of credit, or insurance? ☐ **yes** ☐ **no** If **yes**, describe your firm's efforts.
ANSWER:

(c) Did your firm provide alternatives to bonding or insurance for potential subcontractors?
☐ **yes** ☐ **no** If **yes**, describe. **ANSWER:**

5. GOODS AND SERVICES. What efforts did your firm make to help interested SDBEs to obtain goods or services relevant to the proposed subcontracting work? **ANSWER:**

6. USING OTHER SERVICES.

(a) Did your firm use the services of the City to help solicit SDBEs for the work?
☐ **yes** ☐ **no** Please explain. **ANSWER:**

(b) Did your firm use the services of available minority/women community organizations, minority and women contractors' groups, government-sponsored minority/women business assistance agencies, and other appropriate organizations to help solicit SDBEs for the work? ☐ **yes** ☐ **no**
Please explain. **ANSWER:**